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Colonel White via Mr. [REDACTED]
Mr. Bannerm [REDACTED]

In response to Bureau of the Budget Circular A-71 and Action Memorandum A-444, the CIA Automatic Data Processing Committee is required to address itself, among other things, to the questions of ADP philosophy and organizational structure for the Agency. Before we take these matters up in the Committee, I thought it would be useful to review briefly some of my thoughts about them and get the benefit of your guidance.

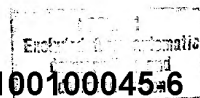
A great deal of the emphasis in the proposed legislation, the Bureau of the Budget Circulars, and the Clewlow Report, which the President approved and transmitted to the Congress, is upon the centralized management and control of ADP resources at the head-of-agency level. Varying degrees of decentralized operation may be tolerated, however, within an over-all policy and program. A few pertinent quotes from the Clewlow Report are attached.

Within the very broad framework of the Clewlow Report, there appears to be nothing which would require that any extensive change should be made in our present dispersed ADP organizational structure. There is the strong implication, however, that there should be some superstructure in the Agency to perform the over-all planning, management, and control function. Several alternatives offer themselves for consideration:

a. The Office of Computer Services might be divided as the Office of the Comptroller was divided with a staff element reporting to the Executive Director-Comptroller and an operating element located elsewhere in the Agency. If this were done, the ADP Committee might function in the same general way that the Financial Policy and Budget Committee now functions.

b. The program analysis function of the Office of Budget, Program Analysis and Manpower might be expanded to include an ADP capability to serve as the instrument of Agency policy and management control with an ADP Committee functioning somewhat like the FPBC.

c. The ADP Committee could continue to function in its present general context with a somewhat broader and stronger charter.



d. Either of the first two alternatives might be proposed without the ADP Committee.

I don't know that any one of these possible alternatives has any more merit than the other but I would tend not to support a proposal that the functions of BPAM be expanded because they have too much of a vested interest in particular kinds of computer output and because I think it would not be wise to put this kind of equipment under the control of the component which also controls the purse strings. My guess is that the Committee as presently constituted but reporting to the Executive Director-Comptroller is the alternative most likely to be generally acceptable. While, in theory at least, a split in the present Office of Computer Services might hold some appeal, I doubt if it is practical because we do not have a nice tidy operational substructure in the Agency which would permit such a division to be accomplished with any reasonable degree of orderliness.

With regard to the philosophy of centralization of computer services, it seems doubtful that we will get any greater degree of centralization than we now have, particularly in view of the tolerant attitude expressed in the Clewlow Report which, by implication if nothing else, tends to support the desirability of having computer capability in the environment of the operational activity it serves. There is a great deal of merit in this approach to ADP provided there is an over-all Agency planning and control mechanism which can prevent incompatibilities from developing and can ensure that we don't have different people in different parts of the Agency going off in different directions to accomplish the same objectives. The theory of decentralized operating units is not necessarily inconsistent with a philosophy of over-all centralized management, particularly if we consider the electronic data processing competence of the Agency in the context of the Support services and use the Office of Communications as the most closely related analogy. Management throughout the Agency develops its own systems and identifies the communications requirements to support those systems. The Office of Communications designs the communications systems to satisfy those requirements and furnishes equipment and personnel to operate it as necessary. In the same way, management throughout the Agency should develop its own information and data processing systems and identify the requirements for electronic data processing support. The Office of Computer Services should design computer systems to satisfy those requirements and furnish equipment and personnel to operate it in whatever environment is appropriate.

Carrying this one step further, positions throughout the Agency requiring a data processing competence could be identified and a new data processing career service could be created. Following the pattern of the recent exercise with the Support positions throughout the Agency but particularly in the DD/I, the personnel involved would be given the option of retaining their present career service designations or converting to the new one.

If this is a reasonable approach, it logically follows that the Office of Computer Services should be a part of the Support Directorate. I would not presume, however, to recommend that it be moved. The Office of Computer Services can function in this manner regardless of where it is located organizationally and, if its organizational placement is to be changed, it should be done only in terms of the strength of the logic which supports it and not on the basis of any recommendation from the DD/S.

In summary, if called upon to submit for committee debate a proposed organizational structure for the Agency, I would plan to suggest:

a. The creation of a small staff at the Executive Director-Comptroller level for the development of over-all management policy, Agency-wide planning, and over-all management control. (The ADP Committee could function in this capacity but for the long term it is likely to require more time and effort than individual members of the Committee can reasonably be expected to give.)

b. The creation of small staff elements at each Directorate level for Directorate policy, planning, and control as well as for the development of system requirements. (DD/P now has [REDACTED] system group; DD/I has a one-man staff in the person [REDACTED] plus a few project officers working closely with the Chive project; and DD/S has the Support Information Requirements Group. I believe the executive staff in the DD/S&T performs a somewhat similar role.)

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c. Preservation of the status quo for the operation of the RID/WALNUT and NPIC components but with the freshly defined concept that OCS will render centralized computer support service for the Agency in the Commo pattern, supplemented by the creation of the new data processing career service.

I would not expect this proposal to be swallowed whole by any member of the Committee but the principle of Support service seems to be a sound one which can be presented strongly and reasonable variations on the theme can be tolerated. If you agree, I will proceed generally in this context. I would appreciate your guidance.

Att: Extracts from Clewlow Report

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